

## Golf Fund Outlook and Options 2012 - 2020

The two scenarios below represent proposals to address the budget challenges in the City of Wichita's Golf Fund.

Scenario #1 includes a total of four \$1 annual increases. This would build the Golf savings balance. It would also allow the Golf Fund to reduce its debt level. Finally, by paying down its debt, Scenario #1 would reduce the City's overall debt ratio as well. The City aims for an overall debt level under 67%. Scenario #1 assumes rate increases in 2012, 2013, 2014 and 2015. So far, the City Council has only approved the 2012 increase.

Scenario #2 is based on the status quo, with no fee increases. This would leave the Golf Fund savings balance at minimal levels and would only pay a minimal amount of Golf Fund debt. The City's overall debt level would not be materially reduced compared to the Adopted CIP.

### Scenario #1: Park Board Recommendation \$1 increases annually from 2012 - 2015

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue	4,267,545	4,483,353	4,699,536	4,916,156	5,002,648	5,090,869	5,180,854	5,272,640	5,366,261
Expenditures	3,930,572	4,019,787	4,111,051	4,204,413	4,299,920	4,397,622	4,497,572	4,599,820	4,704,421
Margin before Debt Service	336,972	463,566	588,485	711,744	702,728	693,246	683,283	672,820	661,840
Debt Service Payments	369,530	365,851	369,023	368,101	700,000	700,000	700,000	700,000	700,000
Total Margin	(32,558)	97,715	219,462	343,643	2,728	(6,754)	(16,717)	(27,180)	(38,160)
Beginning Cash	425,000	392,442	490,157	709,619	1,053,261	1,055,989	1,049,236	1,032,518	1,005,338
<b>Ending Cash</b>	<b>392,442</b>	<b>490,157</b>	<b>709,619</b>	<b>1,053,261</b>	<b>1,055,989</b>	<b>1,049,236</b>	<b>1,032,518</b>	<b>1,005,338</b>	<b>967,178</b>
<b>Ending Balance - Golf Debt</b>	<b>6,536,000</b>	<b>6,226,000</b>	<b>5,896,000</b>	<b>5,548,500</b>	<b>4,848,500</b>	<b>4,148,500</b>	<b>3,448,500</b>	<b>2,748,500</b>	<b>2,048,500</b>
Adopted CIP Debt Ratio		55.4%	56.1%	63.7%	76.1%	81.9%	79.2%	77.9%	68.5%
<b>Impact of Increased Golf payback</b>		<b>55.0%</b>	<b>55.6%</b>	<b>63.4%</b>	<b>75.7%</b>	<b>81.2%</b>	<b>78.2%</b>	<b>76.3%</b>	<b>66.8%</b>

### Scenario #2 Golf Fund Projection - No rate increases

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue	4,133,089	4,215,751	4,300,066	4,386,067	4,473,788	4,563,264	4,654,529	4,747,620	4,842,572
Expenditures	3,930,572	4,019,787	4,111,051	4,204,413	4,299,920	4,397,622	4,497,572	4,599,820	4,704,421
Margin before Debt Service	202,517	195,964	189,014	181,654	173,869	165,642	156,958	147,800	138,152
Debt Service Payments	192,530	179,851	171,023	159,601	150,000	150,000	150,000	150,000	150,000
Total Margin	9,987	16,113	17,991	22,053	23,869	15,642	6,958	(2,200)	(11,848)
Beginning Cash	425,000	434,987	451,100	469,091	491,144	515,013	530,655	537,613	535,413
<b>Ending Cash</b>	<b>434,987</b>	<b>451,100</b>	<b>469,091</b>	<b>491,144</b>	<b>515,013</b>	<b>530,655</b>	<b>537,613</b>	<b>535,413</b>	<b>523,565</b>
<b>Ending Balance - Golf Debt</b>	<b>6,713,000</b>	<b>6,589,000</b>	<b>6,457,000</b>	<b>6,318,000</b>	<b>6,168,000</b>	<b>6,018,000</b>	<b>5,868,000</b>	<b>5,718,000</b>	<b>5,568,000</b>